

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
)
)

ALVIN M. LAPIDUS)
)

A Controlling Shareholder of)
)

HOPKINS BANCORP, INC.)
BALTIMORE, MARYLAND)
)

a Savings and Loan Holding Company)

Order No. ATL- 99-1

Date: January 22, 1999

STIPULATION AND CONSENT TO THE ISSUANCE OF AN
ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Alvin M. Lapidus, a controlling shareholder of Hopkins Bancorp, Inc., Baltimore, Maryland, OTS No. H-1397, a savings and loan holding company ("Bancorp"), that grounds exist to initiate an administrative civil money penalty assessment proceeding against him pursuant to 12 U.S.C. §1818(i),¹ and

WHEREAS, Alvin M. Lapidus desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding and, without admitting or denying that such grounds exist, or to the Findings of Fact or opinions and conclusions of the OTS, except as to Jurisdiction, paragraph 1, below, which is admitted, hereby stipulates and agrees to the following:

1. Jurisdiction.

a. Bancorp is a "savings and loan holding company" within the meaning of 12 U.S.C. §1813(w)(3) and 12 U.S.C. § 1467a(a)(1)(D), in that Bancorp is the sole owner of a savings association, as that term is defined in 12 U.S.C. §1813(b) and 12 U.S.C. §1462(4);

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

b. Alvin M. Lapidus is a Controlling Shareholder of Bancorp and is an "institution-affiliated party" as that term is defined in 12 U.S.C. §1813(u); and,

c. Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal Banking agency" to maintain an administrative civil money penalty assessment proceeding against such a savings and loan holding company or its institution-affiliated parties. Therefore, Alvin M. Lapidus is subject to the jurisdiction of the OTS to initiate and maintain a civil money penalty assessment proceeding against him pursuant to 12 U.S.C. §1818(i). The Director of the OTS has delegated to the Regional Director of the Southeast Region of the OTS or his designee ("Regional Director") the authority to issue orders of assessment of civil money penalties where the individual has consented to the issuance of the order.

2. OTS Findings of Fact. The OTS finds that:

a. Canasi, L.L.C., ("Canasi"), a Maryland limited liability corporation, is a savings and loan holding company by virtue of the acquisition of more than 25% of the stock of Bancorp;

b. Alvin M. Lapidus controls Canasi because he contributed all of its equity (12 C.F.R. §574.4(a)(2)(vi)).

c. Alvin M. Lapidus was not approved by the OTS to control, directly or indirectly, in excess of 95% of the stock of Bancorp.

d. Alvin M. Lapidus inquired about whether he (in his individual capacity) could purchase additional stock in Bancorp. The OTS informed Alvin M. Lapidus that such a transaction could be accomplished under certain conditions. Alvin M. Lapidus did not file an application in accordance with these conditions. Alvin M. Lapidus did not inform the OTS that Canasi would acquire a conclusive controlling interest in Bancorp until after the transaction had been completed. Canasi has not filed an application to acquire control of Bancorp, as required by the Savings and Loan Holding Company Act.

3. Consent. Alvin M. Lapidus consents to the issuance by the OTS of the accompanying Consent Order of Assessment of Civil Money Penalties ("Order"). Alvin M. Lapidus further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under 12 U.S.C. § 1818(i). Upon its issuance by the OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. Waivers. Alvin M. Lapidus waives the following:

a. the right to be served with a written notice of assessment of civil money penalties against him as provided by 12 U.S.C. § 1818(i);

b. the right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. § 1818(i);

c. the right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order; and

d. any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504 or 28 U.S.C. § 2412; and

e. the right to assert this proceeding, his consent to issuance of the Order, the issuance of the Order, the payment of any monies or the provision of any other financial relief as contemplated by the Order as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

6. Indemnification. Alvin M. Lapidus represents that he has not received, directly or indirectly, any sums from Bancorp or its subsidiaries for the purpose of indemnifying or reimbursing him for any expenses incurred by him in connection with the OTS investigation or the payment of the civil money penalty under the Order. Alvin M. Lapidus shall neither cause nor permit Bancorp (or any successor holding company, subsidiary or service corporation thereof) to incur, directly or indirectly, any expense for any legal or other professional services rendered to Alvin M. Lapidus relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from Bancorp (or any successor holding company, subsidiary or service

corporation thereof) with respect to such expenses. In the event that any such payments are received by or on behalf of Alvin M. Lapidus in connection with this action, Alvin M. Lapidus agrees promptly to notify the OTS of the receipt of such payments and to return such payments without delay to Bancorp (or the successor holding company, subsidiary or service corporation thereof).

7. Other Governmental Actions Not Affected. Alvin M. Lapidus acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this OTS enforcement matter only, with respect to the Findings of Fact set forth in Paragraph 2 of this Stipulation, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any other actions, charges against, or liability of Alvin M. Lapidus that arise pursuant to this action or otherwise and that may be or have been brought by another governmental entity. In addition, this Stipulation does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any other actions, charges against, or liability of Alvin M. Lapidus that arise pursuant to any other action that may be brought by the OTS.

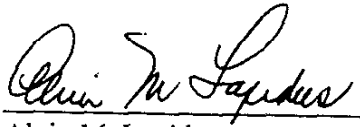
8. Miscellaneous.

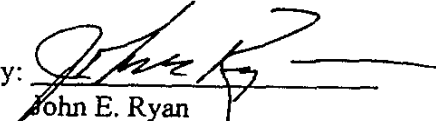
- a. The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America;
- b. All references to the OTS in this Stipulation and the Order shall also mean any of the OTS' predecessors, successors, and assigns;
- c. The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order;
- d. The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and
- e. This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

WHEREFORE, Alvin M. Lapidus executes this Stipulation and Consent to the Issuance of an Order of Assessment of Civil Money Penalties, intending to be legally bound hereby.

Accepted by:

OFFICE OF THRIFT SUPERVISION


Alvin M. Lapidus

By: 
John E. Ryan
Regional Director
Southeast Region

Dated: _____

Dated: 1/22/99

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BALTIMORE, MARYLAND)
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a Savings and Loan Holding Company)
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Order No. ATL-99-1

Dated: January 22, 1999

CONSENT ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

WHEREAS, Alvin M. Lapidus has executed a Stipulation and Consent to the Issuance of an Order of Assessment of Civil Money Penalties ("Stipulation"); and

WHEREAS, Alvin M. Lapidus, by his execution of the Stipulation, has consented and agreed to the issuance of this Consent Order of Assessment of Civil Money Penalties ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1818(i).

NOW THEREFORE, IT IS ORDERED that:

1. Within ten (10) calendar days of the date of this Order, Alvin M. Lapidus shall pay to the OTS the sum of \$ 5,000, by tendering a certified check or bank draft made payable to the order of the Treasurer of the United States. The check or bank draft and a copy of the Order shall be delivered, together with a cover letter stating the name of the savings and loan holding company and its subsidiary savings association, to the following address: Controller's Division, Office of Thrift Supervision, 1700 G Street, N.W., Washington, DC 20552. A copy of the check or bank draft and the cover letter shall be provided by U.S. Mail to Karen K. Bruton, Regional Counsel, Southeast Region, Office of Thrift Supervision, P.O. Box 105217, Atlanta, Georgia 30348-5217.

2. The Stipulation is made a part hereof and is incorporated herein by this reference.

Alvin M. Lapidus

Hopkins Bancorp, Inc., Baltimore, Maryland, OTS No. H-1397

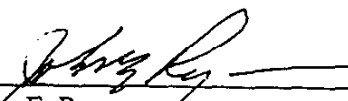
Civil Money Penalty Order (01/22/99)

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3. This Order is and shall become effective on the date it is issued, as shown in the caption hereof. The Stipulation and the Order shall remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By: _____


John E. Ryan
Regional Director
Southeast Region